

M/023/011

DOGM  
MINERALS PROGRAM  
FILE COPY

**From:** Wayne Hedberg  
**To:** MINERALS  
**Date:** Friday, July 28, 1995  
**Subject:** M/023/011 - NEPHI GYPSUM

ROBERT STEELE CALLED ME YESTERDAY AFTERNOON TO EXPLAIN WHY HE HAD NOT MET HIS JULY 25TH DEADLINE TO SUBMIT THE REQUESTED RECLAMATION CONTRACT AND PERMIT TRANSFER DOCUMENTS. APPARENTLY HIS PARTNER, TONY PECK, (WHO WILL BE A JOINT SIGNATOR ON THE FORMS WITH BOB) HAS BEEN VACATIONING IN CANADA FOR THE PAST WEEK OR TWO. MR. PECK ISN'T DUE BACK HOME UNTIL SUNDAY, JULY 30TH. WHEN MR. STEELE AGREED TO HAVE THE INFORMATION TO US BY JULY 25TH, HE WASN'T AWARE THAT MR. PECK WAS GOING OUT OF TOWN ON VACATION.

MR. STEELE SAID HE HAD THE FORMS COMPLETED TO THE EXTENT HE COULD, PENDING MR. PECK'S SIGNATURE. MR. STEELE INDICATED HE WOULD GET AHOLD OF MR. PECK AND MAIL OR HAND-DELIVER THE REQUIRED FORMS TO OUR OFFICE, NO LATER THAN TUESDAY, AUGUST 1ST. I TOLD HIM THAT IF WE DIDN'T RECEIVE THE INFORMATION BY TUESDAY, WE WOULD HAVE LITTLE CHOICE BUT TO PURSUE APPROPRIATE ENFORCEMENT ACTION.

MR. STEELE STILL BELIEVES THAT NEPHI SANDSTONE CORPORATION (THE CURRENT MINING SUBCONTRACTOR) SHOULD BE THE OPERATOR ULTIMATELY HELD RESPONSIBLE FOR BONDING AND RECLAMATION OF THE MINE SITE. HE DOESN'T THINK THAT THIS WILL LIKELY OCCUR UNLESS THE COURT FINDS IN FAVOR OF JACK DANSIE. ACCORDING TO MR. STEELE, MR. DANSIE RETAINS A MAJOR INTEREST IN THE CORPORATION, BECAUSE JACK'S SONS NEVER PAID HIM FOR THEIR 1/3 INTEREST IN THE CORPORATION. IF MR. DANSIE WINS THE LEGAL BATTLE, HIS SONS WILL NO LONGER HAVE ANY RIGHT TO ACT ON BEHALF OF NEPHI SANDSTONE CORP. OR OPERATE THE MINE. MR. STEELE SAID HIS "VERBAL" CONTRACT IS WITH NEPHI SANDSTONE CORP.

**A COPY OF THIS NOTE WILL BE SENT TO THE MINE FILE. - M/023/011**

**CC:** LBRAXTON